

In 1990, there were 152 homicides in Boston as compared to 31 in 1999. Indeed, serious crime across the board is at its lowest level in 30 years.

In 1999, no juvenile in Boston was murdered by a gun and none so far this year.

In 1990, 51 young Boston people, age 24 and under, were murdered by a firearm. Last year, there were 10; this year, thus far, 3.

Between 1990 and 1999, there was an 80-percent drop in young people age 24 and under murdered by a firearm.

There can be effective efforts, and they are making them. We ought to continue to eliminate, to the extent possible, the proliferation of weapons in the hands of children and those who should not have them. Every day in this country 12 children die. We need to make sure we take steps, including safety locks, parental responsibility, smart-gun technology, and the range of options to cut into that figure dramatically. We can do that. We cannot solve all the problems of violence in our society, but we can make a very important downpayment on it. That power is in our hands. I hope very much we will heed the mothers of this country who spoke out yesterday and listen to their message. They have spoken the truth with power. We should respond. I look forward to working with my colleagues in making sure we do.

Madam President, I yield the floor.

#### STAR PRINT—REPORT ACCOMPANYING S. 2507

Mr. DORGAN. Madam President, I ask unanimous consent that the report accompanying S. 2507 be star printed with the changes that are at the desk. I understand this has been agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Madam President, I ask unanimous consent to speak in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

#### FEDERAL RESERVE BOARD

Mr. DORGAN. Madam President, I thought I had seen some fairly unusual and Byzantine proposals around this town, but one that was described in last Friday's Washington Post almost takes the cake. Going back some years, there was a proposal by the U.S. Post Office that would allow people to file change of address forms in the event of a nuclear war. I thought that was rather bizarre. One can imagine being under nuclear attack and trying to find the road to the post office to leave a forwarding address. That is not very likely. There is a proposal even goofier than that.

On Friday, May 12, John Berry, a Washington Post staff writer—someone

for whom I have respect and he is an excellent writer and thinker—wrote an article about "Rate Forecasts Climbing." He was talking about interest rates. John describes the thinking of some members of the Federal Reserve Board and the Open Market Committee about what they intend to do with interest rates. I wish that this story, however, included an analysis of opposing views and there are some.

Here is the situation: Tomorrow morning at 9:30, there will be a meeting in this town of the Federal Reserve Board of Governors and regional Fed bank presidents—five of them—who will make decisions about interest rates. The speculation is they will increase interest rates by one-half of 1 percent despite the fact there is no evidence of inflation that suggests they should do this.

It is the same as deciding they are going to tax the American people. In fact, the rate increases last June, August, November, February, March, and now tomorrow—we will have another, mark my words—those rate increases have added about \$1,210 in interest charges to the average household. If one has a \$100,000 home mortgage, one is paying \$100 more a month because of what the Federal Reserve Board has done. Every household is paying on average some \$1,210 more per year in interest charges.

That is from the folks who meet in secret and effectively impose a tax on every single American. The only difference is, when it is done in this Chamber in the form of taxation, there is a debate and then a vote. It is done in the open. Tomorrow, the Federal Reserve Board will deal with interest rate questions in secret.

At 9:30, if those who are paying attention to C-SPAN want to go down to the Federal Reserve Board and say, I want to be involved in this discussion, they will be told: No, you cannot be involved; this is secret; the doors are locked; we intend to make decisions about your life and you can have no involvement.

Here is what the Washington Post article said about what these folks are going to think tomorrow which I think is bizarre. They are saying that American workers are becoming more productive and because the productivity of the American worker is up, they believe that justifies higher interest rates.

It used to be the same economists who cannot remember, in most cases, their home telephone numbers and their home addresses but who can tell us what is going to happen 5 years or 7 years from now, would say our problem is we have inflation pressures in this country because we do not have increases in productivity. If we have increases in productivity, that will deal with all of the other pressures that come to bear on the economy and offset them.

Now they are saying, but if workers become more productive, we are going to have to raise interest rates. You see, they are concerned about workers' pay. If workers in this country receive more pay, they say that is inflationary. So the workers are kind of stuck, aren't they?

The Fed has already said, if workers receive more money, that is going to drive up inflation. But in the past they have said, if workers' productivity goes up, that will be all right, because you can receive more money if you have greater productivity, right? You ought to. American workers ought to expect they would be able to share in their increased productivity and increased output.

Now the Fed is saying: That is not right either. Workers can be more productive, but we don't intend to see them get more money. We intend to continue to raise interest rates to slow down the American economy.

If workers in America become more productive, the Fed wants to go into a room tomorrow and penalize them—all of them. Talk about a goofy idea.

I was going to go through the entire article. I will not.

But let me do this, as I conclude. The folks who are going to do this, they all have gray suits, they all look like bankers, and they all think like bankers. They all have worked there for 100 years. These folks are confirmed by the Congress. To be appointed to the Board of Governors, they have to be confirmed by the Senate. But these other folks also serve on that Open Market Committee on a rotating basis—tomorrow five of them will be in a room with the Board of Governors. They are not confirmed by us. They represent their regional Federal Reserve Banks. They are all presidents of the regional banks. They are going to be voting.

I could have described what they said in that article. I could have described what Cathy Minehan said in that article. Strange. I don't understand this at all. Workers are more productive, and therefore you must penalize them? It used to be that people would say, if workers were more productive, they would be able to expect to receive more wages.

None of you folks down at the Fed has ever given a whit about the top executives in this country who earn \$1 million, \$5 million, \$10 million, \$100 million, or \$200 million a year. You all have seen those numbers. I have spoken about some of them on the floor. It does not matter to these folks if the upper crust is getting a lot of money. But let the American workers get a gain in productivity and an increase in wages, and then you have these folks running in a room, closing the door, and, in secret, deciding they want to impose another higher interest rate on the American people. There is no justification for it at all.